

1           **SECTION 32.** 84.185 (2) (d) of the statutes is created to read:

2           84.185 (2) (d) The secretary may give greater weight to the criterion under par.  
3 (b) 15. than to the other criteria under par. (b) in determining whether to approve an  
4 improvement.

5           **SECTION 33.** 84.185 (2m) of the statutes is created to read:

6           84.185 (2m) **QUALIFYING IMPROVEMENTS.** An improvement is a qualifying  
7 improvement for the purposes of subs. (2) (b) 15. and (4) (b) if the improvement will  
8 result in a reduction of travel, energy use, or emissions of greenhouse gases or if any  
9 of the following applies:

10          (a) The improvement is located in an area that is both designated for traditional  
11 neighborhood development in a comprehensive plan adopted under s. 66.1001 and  
12 to be developed as a traditional neighborhood development under an ordinance  
13 consistent with the model ordinance under s. 66.1027 (2) and any of the following  
14 applies:

15           1. The area is surrounded by or is adjacent to existing development.

16           2. The area is within a sewer service territory in the sewer service area  
17 provisions of an areawide water quality management plan under s. 283.83 approved  
18 by the department of natural resources.

19           3. The area consists primarily of blighted properties.

20           4. The area meets other criteria, specified by the department by rule, designed  
21 to ensure that the project reduces greenhouse gas emissions.

22          (b) The political subdivision in which the improvement is located has adopted  
23 the design standards under s. 101.027 (4) and the improvement is in an area that is  
24 subject to the design standards.

25          (c) All of the following apply:

1           1. The improvement is located in an area that is subject to either a charter  
2 under s. 299.83 (7e) issued to an association of entities that includes the political  
3 subdivision in which the area is located or a participation contract under s. 299.83  
4 (6) entered into by the city, village, town, or county in which the area is located.

5           2. The department of natural resources determines, in consultation with the  
6 department of commerce, the department of administration, the public service  
7 commission, and the office of energy independence, that implementation of the  
8 charter is likely to result in significant reductions in emissions of greenhouse gases  
9 or in energy use by public or private entities within the political subdivision.

10           (d) The improvement is located in a political subdivision that participates in  
11 tier I under s. 299.83 (3), the area in which the improvement is located is affected by  
12 the participation in tier I, and the department of natural resources determines, in  
13 consultation with the department of commerce, the department of administration,  
14 the public service commission, and the office of energy independence, that the  
15 participation in tier I is likely to result in significant reductions in emissions of  
16 greenhouse gases or in energy use by public or private entities within the political  
17 subdivision.

18           **SECTION 34.** 84.185 (3) (a) (intro.) of the statutes is amended to read:

19           84.185 (3) (a) (intro.) When awarding a grant under this section, the  
20 department shall establish a grant ceiling. Except as provided in par. (b) 2., the grant  
21 ceiling shall not be amended after the secretary has approved an application for  
22 funding. Except as provided in par. (b) and sub. (4) (b), the grant ceiling shall be the  
23 lesser of the following:

24           **SECTION 35.** 84.185 (4) of the statutes is renumbered 84.185 (4) (a).

25           **SECTION 36.** 84.185 (4) (b) of the statutes is created to read:

1           84.185 (4) (b) The rules promulgated under this subsection may provide for all  
2 of the following with respect to an improvement that is a qualifying improvement  
3 under sub. (2m) and that is the subject of an agreement under sub. (7m) between the  
4 department and a governing body:

- 5           1. A grant ceiling that is higher than the grant ceiling specified in sub. (3).  
6           2. Different standards related to job creation or retention, or both, than those  
7 that would apply under sub. (2) (b) 3. and 4. to an improvement that is not a  
8 qualifying improvement.

9           **SECTION 37.** 85.021 of the statutes is created to read:

10          **85.021 Environmental evaluations for transportation projects. (1)** In  
11 this section:

12          (a) “Environmental assessment” means an analysis of a proposed action to  
13 determine whether the proposed action constitutes a major action significantly  
14 affecting the human environment under s. 1.11 (2) (c).

15          (b) “Environmental impact statement” means a detailed statement required  
16 under s. 1.11 (2) (c).

17          (c) “Greenhouse gas” has the meaning given in s. 299.03 (1) (d).

18          (d) “Transportation project” means any construction, reconstruction,  
19 rehabilitation, or other improvement of infrastructure related to any mode of  
20 transportation, funded in whole or in part from any appropriation to the department  
21 under s. 20.395 or 20.866 (2).

22          (e) “2030 plan” means the department’s statewide long-range multimodal  
23 transportation plan for the 20-year period ending in 2030.

24          **(2)** (a) Beginning with environmental assessments and environmental impact  
25 statements commenced on the first day of the 24th month beginning after the

1 effective date of this paragraph .... [LRB inserts date], if the department prepares an  
2 environmental assessment or environmental impact statement for a transportation  
3 project, the environmental assessment or environmental impact statement shall  
4 include an evaluation of all of the following:

5 1. The greenhouse gas emissions and energy use that will result from the  
6 transportation project, over the life cycle of the project.

7 2. If any other transportation project that is an alternative to the  
8 transportation project under subd. 1. is being considered, the greenhouse gas  
9 emissions and energy use that will result from each alternative project, over the life  
10 cycle of the alternative project.

11 (b) Any evaluation required under par. (a) shall take into consideration all of  
12 the following relating to the project:

13 1. Transportation mode.

14 2. Project materials.

15 3. Project construction methods.

16 4. Maintenance requirements.

17 5. Transportation use derived from the project, including predicted vehicle  
18 miles traveled and predicted congestion, if applicable.

19 6. Other pertinent factors.

20 (c) In performing any cost-benefit analysis related to a transportation project  
21 for which an evaluation is required under par. (a), the department shall consider the  
22 monetary value of the greenhouse gas emissions and energy use that will result from  
23 the transportation project, calculated according to the rules promulgated under sub.

24 (4).

1           (3) As part of the environmental evaluation in the department's 2030 plan, the  
2       department shall consider greenhouse gas emissions and energy use in identifying,  
3       prioritizing, evaluating, or assessing transportation facility or service needs for the  
4       statewide transportation system. In any revision, modification, or update of the 2030  
5       plan, and in any other statewide long-range multimodal transportation plan of the  
6       department, the department shall consider greenhouse gas emissions and energy  
7       use in identifying, prioritizing, evaluating, or assessing transportation facility or  
8       service needs for the statewide transportation system.

9           (4) The department shall promulgate rules for calculating the monetary value  
10      of the greenhouse gas emissions and energy use that will result from transportation  
11      projects, over the life cycle of the projects, to be used in performing cost-benefit  
12      analyses of transportation project options.

13           **SECTION 38.** 85.0215 of the statutes is created to read:

14           **85.0215 Surface transportation planning to achieve greenhouse gas**  
15      **emission reductions. (1) DEFINITIONS.** In this section:

16           (a) "Greenhouse gas" has the meaning given in s. 299.03 (1) (d).

17           (b) "Intelligent transportation system" has the meaning given in s. 84.001 (1r).

18           (c) "Metropolitan planning organization" has the meaning given in s. 66.0309  
19      (17) (a) 3.

20           **(2) GREENHOUSE GAS EMISSION REDUCTION GOALS.** The department of  
21      transportation, in consultation with the department of natural resources, shall  
22      establish statewide goals for reducing greenhouse gas emissions from surface  
23      transportation in this state that, if achieved, will contribute to the state achieving  
24      the statewide greenhouse gas emission reduction goals under s. 299.03 (2). After

1 establishing these goals, the department of transportation shall revise the goals  
2 whenever appropriate.

3 (3) DEVELOPMENT OF STRATEGIES AND PLANNING METHODS AND PROCEDURES. The  
4 department of transportation, in consultation with the department of natural  
5 resources, the department of administration, appropriate units in the University of  
6 Wisconsin System as designated by the president of the University of Wisconsin  
7 System, and metropolitan planning organizations, shall do all of the following:

8 (a) Identify strategies for reducing greenhouse gas emissions from surface  
9 transportation, other than strategies for the reduction of greenhouse gases emitted  
10 by motor vehicles or railroad trains through emission limitations or reduced fuel  
11 consumption per mile traveled by motor vehicles or railroad trains or through  
12 improvements in the greenhouse gas performance of transportation fuels. In  
13 identifying these strategies, the department shall consider all of the following:

14 1. Efforts to increase public transportation ridership, including through  
15 service improvements, capacity expansions, and access enhancement.

16 2. Efforts to increase walking, bicycling, and other forms of nonmotorized  
17 transportation.

18 3. Implementation of zoning and other land use regulations and plans to  
19 support increases in population density, transit-oriented development or  
20 redevelopment, or mixed-use development.

21 4. Travel demand management programs, including carpool, vanpool, or other  
22 car-share projects; transportation pricing measures; parking policies; and programs  
23 to promote telecommuting, flexible work schedules, and satellite work centers.

24 5. Surface transportation system operation improvements, including  
25 intelligent transportation systems or other operational improvements to reduce

1 long-term greenhouse gas emissions through reduced congestion and improved  
2 system management.

3 6. Intercity passenger rail improvements.

4 7. Intercity bus improvements.

5 8. Freight rail improvements.

6 9. Use of materials or equipment associated with the construction or  
7 maintenance of transportation projects that reduce greenhouse gas emissions.

8 10. Public facilities for supplying electricity to electric or plug-in  
9 hybrid-electric vehicles.

10 (b) Develop methods and procedures for preparing multimodal transportation  
11 plans and transportation improvement programs that incorporate the strategies  
12 under par. (a). Where applicable and to the extent practicable, this planning and  
13 program preparation shall be based on maximizing the accessibility to destinations  
14 provided by the affected transportation systems using all relevant travel modes,  
15 including walking and bicycling.

16 (4) USE OF STRATEGIES AND PLANNING METHODS AND PROCEDURES. Beginning on  
17 the first day of the 24th month beginning after the effective date of this subsection  
18 .... [LRB inserts date], the department, to the extent practicable, shall do all of the  
19 following:

20 (a) Use the methods and procedures developed under sub. (3) (b) in preparing  
21 its long-range statewide transportation plans and statewide transportation  
22 improvement programs.

23 (b) Incorporate the strategies developed under sub. (3) (a) into its long-range  
24 statewide transportation plans and statewide transportation improvement  
25 programs.

1           (5) REPORTS AND ASSESSMENTS. By July 1, 2013, and at least every 4 years  
2 thereafter, the department shall assess its progress in achieving its goals under sub.  
3 (2), as well as the progress of metropolitan planning organizations in achieving their  
4 goals under s. 66.0309 (17) (b), and shall report its findings to the department of  
5 natural resources.

6           (6) FINANCIAL ASSISTANCE TO METROPOLITAN PLANNING ORGANIZATIONS. After the  
7 department has identified strategies for reducing greenhouse gas emissions from  
8 surface transportation as provided in sub. (3) (a) and developed methods and  
9 procedures for preparing multimodal transportation plans and transportation  
10 improvement programs as provided in sub. (3) (b), the department may not, from any  
11 appropriation to the department under s. 20.395 or 20.866 (2), provide financial  
12 assistance to a metropolitan planning organization unless the metropolitan  
13 planning organization has made a good faith effort to satisfy the requirements under  
14 s. 66.0309 (17) (c).

15           (7) CONFORMANCE WITH FEDERAL LAW. If a federal law enacted after the effective  
16 date of this subsection .... [LRB inserts date], conflicts with the requirements of this  
17 section or s. 66.0309 (17), the department shall, by rule, modify the conflicting  
18 requirements of this section or s. 66.0309 (17) to comply with the federal law.

19           **SECTION 39.** 93.47 of the statutes is created to read:

20           **93.47 Energy crop reserve program. (1) DEFINITIONS.** In this section:

21           (a) "Agronomic practices" means agricultural practices generally associated  
22 with row cropping, including row crop production, soil management, and cultivation.

23           (b) "Native sod" means land on which the plant cover is composed principally  
24 of native grasses, grass-like plants, forbs, or shrubs suitable for grazing and  
25 browsing, and that has never been tilled for the production of an annual crop.



1 (c) "Short rotation woody crop" means a woody crop, including willows and  
2 poplars, grown using agronomic practices.

3 (2) PROGRAM. The department shall administer a program in which it pays  
4 persons to establish and produce any eligible perennial herbaceous crop or short  
5 rotation woody crop for the production of energy or fuel.

6 (3) CONTRACT. (a) The department may enter into a contract, for a period not  
7 to exceed 10 years, with a person who applies to participate in the program under this  
8 section if all of the following are satisfied:

- 9 1. The person is eligible under sub. (5).  
10 2. The person's land is eligible for enrollment under sub. (6).  
11 3. The person is producing or will produce an energy crop eligible under sub.  
12 (7).

13 (b) The department may renew a contract entered into under this section.

14 (c) A person who has entered into a contract with the department and enrolled  
15 eligible land in the program under this section may enter into additional contracts  
16 with the department to enroll additional eligible land in the program under this  
17 section.

18 (d) If applicable, a person who enters into a contract under this section shall  
19 comply with each of the following on all lands under the person's control:

- 20 1. Sustainable planting and harvesting requirements established by the  
21 department by rule for perennial herbaceous crops or for short rotation woody crops.  
22 2. Notwithstanding s. 281.16 (3) (e), the performance standards, prohibitions,  
23 conservation practices, and technical standards under s. 281.16 (3) (a) to (c).

24 (4) PAYMENTS; LIMITATIONS. (a) Subject to the limitations under par. (b), from  
25 the appropriation under s. 20.115 (4) (d), the department may make any of the

1 following payments to a person with whom the department has entered into a  
2 contract under sub. (3) if the person is eligible for the payment:

3 1. Cost-sharing payments equal to a percentage, specified by the department  
4 under sub. (8) (a) 3., of the cost to establish an energy crop on the land enrolled under  
5 the contract.

6 2. Income replacement payments of a percentage, specified by the department  
7 under sub. (8) (a) 4., of the average annual net income the person earned from the  
8 land enrolled under the contract in the 5 consecutive years before the land was  
9 enrolled in the program under this section. The person may receive an annual  
10 payment under this subsection until the person is eligible to receive or has received  
11 a production payment under subd. 3. for energy crops harvested on land enrolled  
12 under the contract, or for the number of years specified by the department under sub.  
13 (8) (a) 4. a., whichever is less. A payment under this subdivision may replace a  
14 portion of the payment, as specified by the department under sub. (8) (a) 4. b., the  
15 person had received under the conservation reserve program under 16 USC 3831 to  
16 3836.

17 3. Production payments, of an amount determined by the department under  
18 sub. (8) (a) 5., for each ton of energy crop harvested and used to produce energy or  
19 fuel or sold to a person that will use the crop to produce energy or fuel.

20 (b) 1. If the total amount of payments to be made under par. (a) in a fiscal year  
21 would exceed the amount available from the appropriation under s. 20.115 (4) (d), the  
22 department shall prorate the payments among all persons eligible to receive a  
23 payment under par. (a) in that fiscal year.

24 2. No person eligible to receive a payment under par. (a) may receive payments  
25 in excess of the amount established by the department under sub. (8) (a) 7.

1           **(5) ELIGIBILITY.** A person is eligible to participate in the program under this  
2 section if any of the following applies:

3           (a) The person owns land eligible to be enrolled in the program.

4           (b) The person controls land eligible to be enrolled in the program under a lease  
5 that covers the contract period established under sub. (3).

6           **(6) ENROLLMENT.** (a) Except as provided in par. (b), a person eligible under sub.  
7 (5) may apply to enroll in the program under this section any land in this state that  
8 is used or suitable for growing the crops identified under sub. (7).

9           (b) The following land may not be enrolled in the program under this section:

10           1. Federally owned land, other than land in this state held in trust by the  
11 federal government for an American Indian or a federally recognized American  
12 Indian tribe or band.

13           2. Land owned by a municipality. In this subdivision, "municipality" has the  
14 meaning given in s. 66.0301 (1) (a).

15           3. Land that is in native sod on the effective date of this subdivision .... [LRB  
16 inserts date].

17           4. Land enrolled in the program under subch. I or subch. VI of ch. 77.

18           5. Land enrolled in any of the following:

19           a. The conservation reserve program under 16 USC 3831 to 3836.

20           b. The wetlands reserve program under 16 USC 3837 to 3837f.

21           c. The grassland reserve program under 16 USC 3838n to 3838q.

22           d. The biomass crop assistance program under 7 USC 8111.

23           **(7) ELIGIBLE ENERGY CROPS.** (a) Except as provided in par. (b), a person may  
24 receive payments under this section for the production of any perennial herbaceous  
25 crop or short rotation woody crop to be harvested and used to produce energy or fuel.

1 (b) No payments may be received under this section for the growth of any of the  
2 following:

3 1. A crop that is produced and harvested for a purpose other than the  
4 production of energy or fuel, even if the residue of the crop may be used to produce  
5 energy or fuel.

6 2. Any plant identified by the department of natural resources under s. 23.22  
7 as invasive or having the potential to become invasive.

8 3. Any other crop specified by the department by rule.

9 (8) RULE MAKING. (a) The department shall promulgate the following by rule:

10 1. Rules to implement and administer the program under this section,  
11 including all of the following:

12 a. The application form and procedures for applying.

13 b. Procedures and criteria for the review and approval or rejection of an  
14 application.

15 c. Procedures and criteria for disbursing payments under the program,  
16 including prorating of payments under sub. (4) (b) 1.

17 d. Reporting required of persons who have entered into a contract with the  
18 department under sub. (3).

19 e. Conditions under which a person may reenroll land under this section.

20 2. Crops ineligible for payments, as described under sub. (7) (b).

21 3. The amount of, limits on, and procedures for calculating cost-sharing  
22 payments available to persons under sub. (4) (a) 1., including the manner in which  
23 the amounts of or limits on cost-sharing payments will vary with the energy crops  
24 being established and the costs required to establish that energy crop.

1           4. The amount of, limits on, and procedures for calculating income replacement  
2       payments under sub. (4) (a) 2., including all of the following:

3           a. The maximum number of years a person may receive payments under sub.  
4       (4) (a) 2., which number shall depend upon the time required to establish the energy  
5       crop being established by the person.

6           b. Limits on the amount or percent of income from payments received under  
7       the federal conservation reserve program, 7 USC 3831 to 3836, that may be included  
8       in the calculation of income replacement under sub. (4) (a) 2. The rules promulgated  
9       under this subd. 4. b. shall be designed to provide an incentive for persons who  
10      remove their land from the federal conservation reserve program to enroll the land  
11      in the program under this section, but small enough that those persons will not  
12      choose to withdraw their land from the federal conservation reserve program solely  
13      for the purpose of receiving payments under sub. (4) (a) 2.

14          5. The amount of and limits on production payments made under sub. (4) (a)  
15      3., including the manner in which the amount of the payment available to a person  
16      under sub. (4) (a) 3. will vary depending upon the energy or fuel derived from the  
17      particular energy crop produced, the costs to produce the energy crop, and other  
18      factors consistent with the objectives of the program under this section.

19          6. Procedures and criteria for allocating funds available from the appropriation  
20      under s. 20.115 (4) (d) between cost-sharing payments, income replacement  
21      payments, and production payments.

22          7. Limits on the amount of payments that a person with whom the department  
23      has entered into a contract under sub. (3) may receive in any payment category under  
24      sub. (4) (a), in any contract year, and over the duration of the contract.

1           8. Requirements for sustainable planting and harvesting practices, including  
2 practices to minimize consumptive water use and maximize water conservation,  
3 applicable to persons with whom the person has entered into a contract under sub.  
4 (3).

5           (b) To advance any of the following objectives, the department may promulgate  
6 rules to establish priorities for entering into contracts with persons and enrolling  
7 land in the program under this section, and for making payments to a person who  
8 has entered into a contract under sub. (3), based upon the attributes of the land, the  
9 agricultural practices of the person, or any other pertinent factors:

10           1. Maximizing carbon sequestration, as defined in s. 299.03 (1) (bm).

11           2. Minimizing life-cycle greenhouse gas emissions of the production,  
12 harvesting, processing, and distribution of the energy crop by minimizing any of the  
13 following:

14           a. The distance the energy crop must be transported between the point of  
15 production and the point of end use.

16           b. The use of fossil fuels to plant, cultivate, and harvest the energy crop.

17           c. The application of fertilizer and pesticide in connection with the production  
18 of the energy crop.

19           d. Other energy-consuming practices.

20           3. The preservation of farmland through a farmland preservation agreement  
21 or farmland preservation zoning.

22           4. Providing soil and water conservation or wildlife preservation benefits.

23           (c) The department of agriculture, trade and consumer protection shall consult  
24 with the department of natural resources in the preparation of any rules that affect  
25 the natural resources of this state.

1           **(9) PROGRAM OUTCOMES AND REPORTS.** The department of agriculture, trade and  
2 consumer protection shall, no later than July 1 of each odd year, submit to the  
3 departments of administration and natural resources a report containing all of the  
4 following information about the program under this section:

5           (a) The number of acres of land enrolled in the program.

6           (b) The number of tons and the energy content of each energy crop harvested  
7 under the program.

8           (c) Costs of the program.

9           (d) The extent to which the program under this section complements and is  
10 coordinated with the biomass crop assistance program under 7 USC 8111.

11           (e) Any recommendations for legislation to improve the program under this  
12 section.

13           **SECTION 40.** 93.475 of the statutes is created to read:

14           **93.475 Bioenergy feedstock production incentive study.** (1) In this  
15 section:

16           (a) "Bioenergy feedstock" means biomass used to produce energy, including  
17 heat or electricity, or to produce a fuel, including transportation fuel.

18           (b) "Biomass" has the meaning given in s. 196.374 (1) (am).

19           (c) "Cap and trade program" has the meaning given in s. 299.04 (1) (a).

20           **(2)** (a) The department of agriculture, trade and consumer protection shall, in  
21 consultation with the department of natural resources, study whether current and  
22 projected markets for bioenergy feedstocks and state and federal programs in effect  
23 on the effective date of this paragraph .... [LRB inserts date], provide adequate  
24 financial incentives to prompt producers of bioenergy feedstocks to sustainably  
25 produce a supply of biomass that, as a result of the use of that biomass as bioenergy

1 feedstocks, will significantly contribute to the achievement of the state greenhouse  
2 gas emission reduction goals established under s. 299.03 (2). The department of  
3 agriculture, trade and consumer protection and the department of natural resources  
4 shall prepare a report on the study.

5 (b) The department of agriculture, trade and consumer protection and the  
6 department of natural resources shall prepare the study required under this  
7 subsection in consultation with the office of energy independence in the department  
8 of administration, the public service commission, the University of Wisconsin  
9 System, the administrator of the statewide energy efficiency and renewable  
10 resources programs under s. 196.374 (2) (a) 1., representatives of natural resources  
11 and environmental organizations, and representatives of sectors of the economy in  
12 this state that are affected by the programs.

13 (3) (a) If, after conducting the study under sub. (2), the department of  
14 agriculture, trade and consumer protection and the department of natural resources  
15 determine that the financial incentives under state and federal law are inadequate  
16 to prompt producers of bioenergy feedstocks to sustainably produce a supply of  
17 biomass that will significantly contribute to the achievement of the state greenhouse  
18 gas emission reduction goals established under s. 299.03 (2), and that additional  
19 financial incentives are warranted, the department of agriculture, trade and  
20 consumer protection and the department of natural resources shall recommend  
21 changes to improve the effectiveness of financial incentives under existing state  
22 programs and propose new legislation offering additional financial incentives to  
23 prompt bioenergy feedstock producers to sustainably produce additional biomass in  
24 order to help achieve the state greenhouse gas emission reduction goals. The  
25 department of agriculture, trade and consumer protection and the department of



1 natural resources shall consider all of the following when making the  
2 recommendations required under this paragraph:

3 1. Methods to reduce financial risks of bioenergy feedstock producers, such as  
4 loan guarantees and insurance.

5 2. Expansion of a cap and trade program or a voluntary greenhouse gas  
6 emission~~s~~ reduction offset program to create credits for producers of bioenergy  
7 feedstocks who reduce greenhouse gas emissions during the production of bioenergy  
8 feedstocks by adopting appropriate management practices.

9 3. Expansion of the renewable resource credits created under s. 196.378 (3) (a)  
10 1. to authorize the creation of credits from the production or generation of nonelectric  
11 energy, as defined in s. 196.378 (1r) (dm), that is produced or generated from biomass.

12 (b) No later than July 1, 2013, the department of agriculture, trade and  
13 consumer protection and the department of natural resources shall submit a report  
14 on the study required under sub. (2) together with any recommended changes to  
15 current law or recommended new legislation proposed under par. (a) to the climate  
16 change coordinating council.

17 **SECTION 41.** 100.215 of the statutes is created to read:

18 **100.215 Energy efficiency; consumer audio and video equipment. (1)**

19 **DEFINITIONS.** In this section:

20 (b) "Compact audio device" means an integrated audio system that is encased  
21 in a single housing; that includes an amplifier, radio tuner, and attached or separable  
22 speakers; and that can reproduce audio from magnetic tape, compact disc, digital  
23 versatile disc, or flash memory, except that "compact audio device" does not include  
24 any of the following:

25 1. A device that can only be powered by internal batteries.

1           2. A device that has a powered external satellite antenna.

2           3. A device that can produce a video output signal.

3           (c) "Digital versatile disc" means a laser-encoded plastic medium capable of  
4 storing a large amount of digital audio, video, or computer data.

5           (d) "Digital versatile disc player" means a commercially available electronic  
6 device encased in a single housing that includes an integral power supply and whose  
7 primary purpose is the decoding of digitized audio and video signals on a digital  
8 versatile disc.

9           (e) "Digital versatile disc recorder" means a commercially available electronic  
10 device encased in a single housing that includes an integral power supply and for  
11 which the primary purpose is the production or recording of digitized audio and video  
12 signals on a digital versatile disc, except that "digital versatile disc recorder" does not  
13 include a device that has an electronic programming guide.

14          (f) "Digital video recorder" means a device that can record audio and video  
15 signals on a hard disk drive or other device that can store the signals digitally, except  
16 that "digital video recorder" does not include a device that has an electronic  
17 programming guide.

18          (g) "Electronic programming guide" means an application that provides an  
19 interactive on-screen menu of television listings and that downloads program  
20 information from the vertical blanking interval of a television signal.

21          (h) "Standby mode" means the condition in which a device is connected to a  
22 power source and does not produce video or audio output signals, but can be switched  
23 into another mode with a remote control unit or an internal signal.

24          (i) "Television" means a commercially available electronic device consisting of  
25 a monitor, with or without a tuner or receiver, encased in a single housing, which is

1 designed to receive and display an analog or digital video signal received from a  
2 terrestrial, satellite, cable, or broadband source, except that "television" does not  
3 include any of the following:

4 1. A multifunction device that can perform functions performed by a video  
5 cassette recorder, digital versatile disc player or recorder, digital video recorder, or  
6 electronic programming guide or that has a point-of-deployment card slot.

7 2. A computer monitor.

8 (j) "Video cassette recorder" means a commercially available analog recording  
9 device that includes an integral power supply and that records audio and video  
10 signals onto a tape medium for subsequent viewing.

11 **(2) PROHIBITION; PENALTY.** (a) No person may sell or offer for sale at retail in this  
12 state any of the following:

13 1. A compact audio device without a permanently illuminated clock that uses  
14 more than 2 watts in standby mode.

15 2. A compact audio device with a permanently illuminated clock that uses more  
16 than 4 watts in standby mode.

17 3. A television that uses more than 3 watts in standby mode.

18 4. A digital versatile disc player or digital versatile disc recorder that uses more  
19 than 3 watts in standby mode.

20 (b) A person who violates this subsection is subject to a forfeiture of not more  
21 than \$100. Each device sold or offered for sale in violation of this subsection  
22 constitutes a separate violation.

23 **SECTION 42.** 101.02 (23) of the statutes is created to read:

24 101.02 **(23)** No later than July 1, 2013, and at least every 4 years thereafter,  
25 the department shall prepare and provide to the department of natural resources an

1 assessment of progress toward meeting the new building energy use goal in s. 299.03  
2 (3).

3 **SECTION 43.** 101.027 (1) of the statutes is renumbered 101.027 (1m) and  
4 amended to read:

5 101.027 (1m) ~~In this section, “energy conservation code” means the~~ The  
6 department shall, by rule, promulgate an energy conservation code ~~promulgated by~~  
7 ~~the department that sets~~ minimum design requirements standards for construction  
8 and equipment for the purpose of energy conservation in public buildings and places  
9 of employment. Except as provided in sub. (1r), the rules shall conform to the energy  
10 design standards contained in a generally accepted code.

11 **SECTION 44.** 101.027 (1g) of the statutes is created to read:

12 101.027 (1g) In this section, “generally accepted code” means the International  
13 Energy Conservation Code or an energy efficiency code that provides at least as great  
14 an energy conservation benefit as the energy design standards contained in the  
15 International Energy Conservation Code and that is generally accepted and used by  
16 architects, engineers, and the construction industry in the construction of public  
17 buildings and places of employment.

18 **SECTION 45.** 101.027 (1r) of the statutes is created to read:

19 101.027 (1r) (a) The department may set particular design standards that are  
20 less strict than those contained in the generally accepted code used by the  
21 department to promulgate the energy conservation code under sub. (1m) if all of the  
22 following apply:

23 1. Application of the generally accepted code is unreasonably burdensome  
24 because of specific conditions existing in this state.

1           2. The less strict standards provide the greatest energy conservation benefits  
2 that are consistent with the specific conditions.

3           (b) The department may set particular design standards that are stricter than  
4 those contained in the generally accepted code used by the department to promulgate  
5 the energy conservation code under sub. (1m) if the department takes into account  
6 the cost of complying with the stricter standards in relationship to the benefits  
7 derived from complying with the stricter standards, including the reasonably  
8 foreseeable economic and environmental benefits to this state from any reduction in  
9 the use of fossil fuel and in emissions of greenhouse gasses.

10           **SECTION 46.** 101.027 (2) of the statutes is amended to read:

11           101.027 (2) The department shall review the energy conservation code  
12 promulgated under sub. (1m), and shall, subject to the requirements of sub. (1r),  
13 promulgate rules that change the requirements of the energy conservation code to  
14 improve energy conservation. ~~No rule may be promulgated that has not taken into~~  
15 ~~account the cost of the energy conservation code requirement, as changed by the rule,~~  
16 ~~in relationship to the benefits derived from that requirement, including the~~  
17 ~~reasonably foreseeable economic and environmental benefits to the state from any~~  
18 ~~reduction in the use of imported fossil fuel. The proposed rules changing the energy~~  
19 ~~conservation code shall be submitted to the legislature in the manner provided under~~  
20 ~~s. 227.19. In conducting a review under this subsection, the department shall~~  
21 ~~consider incorporating, into the energy conservation code, design requirements from~~  
22 ~~the most current national energy efficiency design standards, including the~~  
23 ~~International Energy Conservation Code or an energy efficiency code other than the~~  
24 ~~International Energy Conservation Code if that energy efficiency code is used to~~

1 ~~prescribe design requirements for the purpose of conserving energy in buildings and~~  
2 ~~is generally accepted and used by engineers and the construction industry.~~

3 **SECTION 47.** 101.027 (3) (a) 1. of the statutes is amended to read:

4 101.027 (3) (a) 1. A revision of the ~~International Energy Conservation Code~~  
5 generally accepted code used by the department to promulgate the energy efficiency  
6 code under sub. (1m) is published.

7 **SECTION 48.** 101.027 (3) (b) 1. of the statutes is amended to read:

8 101.027 (3) (b) 1. If the department begins a review under sub. (2) because a  
9 revision of the ~~International Energy Conservation Code~~ generally accepted code  
10 used by the department to promulgate the energy efficiency code under sub. (1m) is  
11 published, the department shall complete its review of the energy conservation code,  
12 ~~as defined in sub. (1),~~ and submit to the legislature proposed rules changing the  
13 energy conservation code, ~~as defined in sub. (1),~~ no later than 18 months after the  
14 date on which the revision of the ~~International Energy Conservation Code~~ generally  
15 accepted code is published.

16 **SECTION 49.** 101.027 (4) of the statutes is created to read:

17 101.027 (4) The department shall promulgate rules that set voluntary design  
18 standards for the purpose of reducing the environmental impact of constructing,  
19 maintaining, and using public buildings and places of employment. The department  
20 shall base the design standards on standards jointly established by the American  
21 National Standards Institute, the American Society of Heating, Refrigerating and  
22 Air Conditioning Engineers, the U.S. Green Building Council, and the Illuminating  
23 Engineering Society of North America or on similar standards that are generally  
24 accepted and used by architects, engineers, and the construction industry in the  
25 construction of public buildings and places of employment if the similar standards

1 provide benefits in reducing the environmental impact of constructing, maintaining,  
2 and using public buildings and places of employment that are at least as great as the  
3 benefits provided in the jointly established standards. The department shall  
4 promulgate rules under this subsection that set design standards that provide  
5 significantly greater energy conservation benefits than those provided by the design  
6 standards contained in the energy conservation code under sub. (1m).

7 **SECTION 50.** 101.028 of the statutes is created to read:

8 **101.028 Agricultural building code.** The department shall, by rule,  
9 promulgate an energy conservation code that sets minimum design standards for  
10 agricultural facilities. The department shall define, for purposes of that code,  
11 “agricultural facility,” which shall include a barn and a milking parlor. The  
12 department shall consult with the department of agriculture, trade and consumer  
13 protection before promulgating rules under this section.

14 **SECTION 51.** 101.173 of the statutes is created to read:

15 **101.173 Industrial boilers; energy efficiency. (1)** In this section:

16 (a) “Cooperative association” has the meaning given in s. 196.491 (1) (bm).

17 (b) “Industrial boiler” means a closed vessel in which water or other liquid is  
18 heated and that produces hot water or steam for an industrial process.

19 (c) “Public utility” has the meaning given in s. 196.01 (5).

20 (d) “Self-generator” means a person that uses equipment and facilities to  
21 generate electricity and that consumes, on each day that the equipment and facilities  
22 are in use, no less than 70 percent of the aggregate kilowatt hours output from the  
23 equipment and facilities in manufacturing processes at the site where the equipment  
24 and facilities are located.

25 (e) “Wholesale merchant plant” has the meaning given in s. 196.491 (1) (w).

(2) (a) Except as provided in par. (b), a person who owns an industrial boiler shall cause the boiler to be inspected on an annual basis to assess the boiler's energy efficiency. The owner of the industrial boiler shall take such action based upon the results of each annual inspection as necessary to maximize the energy efficiency of, and to minimize the emission of greenhouse gasses from, the industrial boiler.

(b) The requirements under par. (a) do not apply with respect to any of the following:

1. An industrial boiler that is used by a cooperative association to generate electricity.

2. An industrial boiler that is used by a public utility to generate electricity.

3. An industrial boiler that is used by the operator of a wholesale merchant plant to generate electricity unless the wholesale merchant plant is a self-generator.

(3) The department may promulgate rules to implement and enforce the requirements under sub. (2).

**SECTION 52.** 101.62 of the statutes is amended to read:

**101.62 Dwelling code council; power.** The dwelling code council shall review the standards and rules for one- and 2-family dwelling construction and recommend a uniform dwelling code for adoption by the department which shall include rules providing for the conservation of energy in the construction and maintenance of dwellings, consistent with the requirements of s. 101.63 (1m), and for costs of specific code provisions to home buyers to be related to the benefits derived from such provisions. The council shall study the need for and availability of one-family and 2-family dwellings that are accessible to persons with disabilities, as defined in s. 106.50 (1m) (g), and shall make recommendations to the department for any changes to the uniform dwelling code that may be needed to ensure an



1 adequate supply of one-family and 2-family dwellings. Upon its own initiative or  
2 at the request of the department, the council shall consider and make  
3 recommendations to the department pertaining to rules and any other matters  
4 related to this subchapter. The council shall recommend variances for different  
5 climate and soil conditions throughout the state.

6 **SECTION 53.** 101.63 (1) (intro.) of the statutes is amended to read:

7 101.63 (1) (intro.) Adopt rules which establish standards for the construction  
8 and inspection of one- and 2-family dwellings and components thereof. Where  
9 feasible, the standards used shall be those nationally recognized and shall apply to  
10 the dwelling and to its electrical, heating, ventilating, air conditioning and other  
11 systems, including plumbing, as defined in s. 145.01 (10). ~~No set of rules may be~~  
12 ~~adopted which has not taken into account the conservation of energy in construction~~  
13 ~~and maintenance of dwellings and the costs of specific code provisions to home buyers~~  
14 ~~in relationship to the benefits derived from the provisions.~~ Rules promulgated under  
15 this subsection do not apply to a bed and breakfast establishment, as defined under  
16 s. 254.61 (1), except that the rules apply to all of the following:

17 **SECTION 54.** 101.63 (1m) of the statutes is created to read:

18 101.63 (1m) (a) In this subsection, "generally accepted code" means the  
19 International Energy Conservation Code or an energy efficiency code that provides  
20 at least as great an energy conservation benefit as the energy design standards  
21 contained in the International Energy Conservation Code and that is generally  
22 accepted and used by architects, engineers, and the construction industry in the  
23 construction of one- and 2-family dwellings.

24 (b) The department shall, by rule, promulgate an energy conservation code that  
25 sets minimum design standards for construction and equipment for the purpose of

1 energy conservation in one- and 2-family dwellings. Except as provided in pars. (c)  
2 and (d), the rules shall conform to the energy design standards contained in a  
3 generally accepted code.

4 (c) The department may set particular design standards that are less strict  
5 than those contained in the generally accepted code used by the department to  
6 promulgate the energy conservation code under par. (b) if all of the following apply:

7 1. Application of the generally accepted code is unreasonably burdensome  
8 because of specific conditions existing in this state.

9 2. The less strict standards provide the greatest energy conservation benefits  
10 that are consistent with the specific conditions.

11 (d) The department may set particular design standards that are stricter than  
12 those contained in the generally accepted code used by the department to promulgate  
13 the energy conservation code under par. (b) if the department takes into account the  
14 cost of complying with the stricter standards in relationship to the benefits derived  
15 from complying with the stricter standards, including the reasonably foreseeable  
16 economic and environmental benefits to this state from any reduction in the use of  
17 fossil fuel and in emissions of greenhouse gasses.

18 (e) The department shall review the energy conservation code promulgated  
19 under par. (b), and shall, subject to the requirements of pars. (c) and (d), promulgate  
20 rules that change the requirements of the energy conservation code to improve  
21 energy conservation.

22 (f) The department shall begin a review under par. (e) whenever one of the  
23 following occurs:

24 1. A revision of the generally accepted code used by the department to  
25 promulgate the energy conservation code under par. (b) is published.

1           2. Three years have passed from the date on which the department last  
2 submitted to the legislature proposed rules changing the energy conservation code.

3           (g) The department shall complete a review under par. (e) as follows:

4           1. If the department begins a review under par. (e) because a revision of the  
5 generally accepted code used by the department to promulgate the energy  
6 conservation code under par. (b) is published, the department shall complete its  
7 review of the energy conservation code and submit to the legislature proposed rules  
8 changing the energy conservation code no later than 18 months after the date on  
9 which the revision of the generally accepted code is published.

10          2. If the department begins a review under par. (e) because 3 years have passed  
11 from the date on which the department last submitted to the legislature proposed  
12 rules changing the energy conservation code, the department shall complete its  
13 review of the energy conservation code and submit to the legislature proposed rules  
14 changing the energy conservation code no later than 9 months after the last day of  
15 the 3-year period.

16          **SECTION 55.** 101.80 (1j) of the statutes is amended to read:

17          101.80 (1j) "Electricity provider" means a public utility, an electric cooperative,  
18 ~~or a wholesale merchant plant operator, or, beginning on the date specified in the~~  
19 notice published under s. 196.493 (3) (b), a nonutility nuclear power plant operator.

20          **SECTION 56.** 101.80 (2m) of the statutes is created to read:

21          101.80 (2m) "Nonutility nuclear power plant operator" means the operator of  
22 a nonutility nuclear power plant, as defined in s. 196.491 (1) (i). This subsection  
23 takes effect on the date specified in the notice published under s. 196.493 (3) (b).

24          **SECTION 57.** 110.20 (1) (b) of the statutes is amended to read:

1           110.20 (1) (b) "Nonexempt vehicle" means any motor vehicle as defined under  
2           s. 340.01 (35) which is owned by the United States or which is required to be  
3           registered in this state and ~~to which one or more emission limitations adopted under~~  
4           ~~s. 285.30 (2) applies~~ which is not exempt under sub. (14m).

5           **SECTION 58.** 110.20 (3) (a) of the statutes is amended to read:

6           110.20 (3) (a) The inspection and maintenance program shall be designed to  
7           determine compliance with the emission limitations promulgated under s. 285.30 (2)  
8           or with emission limitations under s. 285.305 (1) or (2), for motor vehicles subject to  
9           those emission limitations, and compliance with s. 285.30 (6).

10          **SECTION 59.** 196.025 (1) (ag) 1. of the statutes is renumbered 196.025 (1) (ag)

11          1r.

12          **SECTION 60.** 196.025 (1) (ag) 1g. of the statutes is created to read:

13          196.025 (1) (ag) 1g. "Municipal utility" has the meaning given in s. 16.957 (1)  
14          (q).

15          **SECTION 61.** 196.025 (1) (b) 1. of the statutes is renumbered 196.025 (1) (b) 1.  
16          (intro.) and amended to read:

17          196.025 (1) (b) 1. (intro.) In a proceeding in which an ~~investor-owned~~ electric  
18          public utility is a party, the commission shall not order or otherwise impose energy  
19          conservation or efficiency requirements on the ~~investor-owned~~ electric public utility  
20          if the commission has fulfilled all of its duties under s. 196.374 and ~~the~~  
21          ~~investor-owned~~ any of the following is satisfied:

22          a. The electric public utility has satisfied the requirements of s. 196.374 for the  
23          year prior to commencement of the proceeding, as specified in s. 196.374 (8) (d).

24          **SECTION 62.** 196.025 (1) (b) 1. b. of the statutes is created to read:

1           196.025 (1) (b) 1. b. If the electric public utility is a municipal utility, the  
2           commission determines under s. 196.374 (8) that the electric public utility has, on  
3           average over the 4 years preceding the commencement of the proceeding, met, in the  
4           aggregate, the goals established under s. 196.374 (3) (bn) 1. f. for the electric public  
5           utility or the commission determines that the electric public utility has made a good  
6           faith effort to meet the goals during such 4-year period.

7           **SECTION 63.** 196.025 (1) (b) 2. of the statutes is amended to read:

8           196.025 (1) (b) 2. In a proceeding in which a wholesale supplier that has  
9           accepted an assignment from a municipal utility or retail electric cooperative under  
10          s. 196.374 (7) (bg) is a party, the commission shall not order or otherwise impose  
11          energy conservation or efficiency requirements on the wholesale supplier or any  
12          municipal utility or retail electric cooperative that made the assignment if the  
13          commission has fulfilled all of its duties under s. 196.374 and the wholesale  
14          supplier's members are in the aggregate substantially in compliance with s. 196.374  
15          ~~(7)~~ commission determines under s. 196.374 (8) that the wholesale supplier or all  
16          municipal utilities or retail electric cooperatives from which the wholesale supplier  
17          has accepted assignment have, on average over the 4 years preceding the  
18          commencement of the proceeding, met, in the aggregate, the goals established under  
19          s. 196.374 (3) (bn) 1. f. for the municipal utilities or retail electric cooperatives or the  
20          commission determines that the wholesale supplier, municipal utilities, or retail  
21          electric cooperatives have made a good faith effort to meet the goals during such  
22          four-year period.

23          **SECTION 64.** 196.025 (1) (c) 1. of the statutes is amended to read:

24          196.025 (1) (c) 1. In a proceeding in which an investor-owned electric public  
25          utility is a party, the commission shall not order or otherwise impose any renewable

1 resource requirements on the ~~investor-owned~~ electric public utility if the  
2 commission has fulfilled all of its duties under s. 196.378 and the commission has  
3 informed the utility under s. 196.378 (2) (c) 2, that, with respect to the most recent  
4 report submitted under s. 196.378 (2) (c) 1, the utility is in compliance with the  
5 requirements of s. 196.378 (2) (a) 2. This subdivision does not limit the authority of  
6 the commission to enforce a public utility's obligations under s. 196.374 or 196.379.

7 **SECTION 65.** 196.025 (1) (c) 2. of the statutes is amended to read:

8 196.025 (1) (c) 2. In a proceeding in which a wholesale supplier is a party, the  
9 commission shall not order or otherwise impose any renewable resource  
10 requirements on the wholesale supplier if the commission has fulfilled all of its  
11 duties under s. 196.378 and the wholesale supplier's members or customers are in  
12 the aggregate substantially in compliance with s. 196.378 (2).

13 **SECTION 66.** 196.025 (1) (c) 3. of the statutes is created to read:

14 196.025 (1) (c) 3. The commission shall give priority in the scheduling of its  
15 business to the consideration of applications for a certificate of authority under s.  
16 196.49, or a certificate of public convenience and necessity under s. 196.491 (3), for  
17 a proposed renewable facility, as defined in s. 196.378 (1r) (g).

18 **SECTION 67.** 196.025 (1) (e) of the statutes is created to read:

19 196.025 (1) (e) *Exercise of regulatory authority.* The commission shall exercise  
20 its regulatory authority to ensure that the maximum reductions in the use of and  
21 demand for electricity and natural gas are achieved through the implementation of  
22 cost-effective energy efficiency and conservation programs, utility demand response  
23 and load management programs, and tariffs designed to reduce energy use, while  
24 taking account of the costs and benefits for customers and the need to maintain a

1 highly reliable system capable of delivering an adequate supply of electricity and  
2 natural gas at reasonable cost.

3 **SECTION 68.** 196.025 (2m) (c) of the statutes is amended to read:

4 196.025 **(2m)** (c) Paragraph (b) does not waive any duty of the commission or  
5 the department to comply with s. 1.11 or to take any other action required by law  
6 regarding a project, except that, in the consideration of alternative locations, sites,  
7 or routes for a project, the commission and the department are required to consider  
8 only the location, site, or route for the project identified in an application for a  
9 certificate under s. 196.49 and no more than one alternative location, site, or route;  
10 and, for a project identified in an application for a certificate under s. 196.491 (3),  
11 other than an application for a renewable facility, as defined in s. 196.378 (1r) (g), the  
12 commission and the department are required to consider only the location, site, or  
13 route for the project identified in the application and one alternative location, site,  
14 or route.

15 **SECTION 69.** 196.025 (7) of the statutes is created to read:

16 196.025 **(7)** ENERGY CONSERVATION ASSESSMENT. No later than July 1, 2013, and  
17 at least every 4 years thereafter, the commission shall prepare and provide to the  
18 department of natural resources an assessment of progress toward meeting the  
19 statewide energy conservation goals in s. 299.03 (3m).

20 **SECTION 70.** 196.25 (1) of the statutes is renumbered 196.25 (1r).

21 **SECTION 71.** 196.25 (1g) of the statutes is created to read:

22 196.25 **(1g)** In this section, "public utility" includes the owner or operator of a  
23 nuclear power plant, as defined in s. 196.491 (1) (j), for which the commission has  
24 issued a certificate of public convenience and necessity under s. 196.491 (3) on or  
25 after the date specified in the notice published under s. 196.493 (3) (b).

1           **SECTION 72.** 196.374 (1) (am) of the statutes is created to read:

2           196.374 (1) (am) "Biomass" means plant material or residue, biological waste,  
3 or landfill gases. "Biomass" does not include garbage, as defined in s. 289.01 (9), or  
4 nonbiological industrial, nonbiological commercial, or nonbiological household  
5 waste.

6           **SECTION 73.** 196.374 (1) (b) of the statutes is amended to read:

7           196.374 (1) (b) "Commitment to community program" means an energy  
8 efficiency or load management program ~~by or on behalf for regulated fuel usage in~~  
9 ~~the service territory~~ of a municipal utility or retail electric cooperative ~~or a renewable~~  
10 ~~resource program involving customer applications of renewable resources that take~~  
11 ~~place at the premises of the customers or members of a municipal utility or retail~~  
12 ~~electric cooperative.~~

13          **SECTION 74.** 196.374 (1) (c) of the statutes is amended to read:

14          196.374 (1) (c) "Customer application of renewable resources" means the  
15 generation of energy from renewable resources that takes place on the premises of  
16 a customer ~~or member~~ of an energy utility ~~or, municipal utility, or a member of a retail~~  
17 electric cooperative.

18          **SECTION 75.** 196.374 (1) (d) of the statutes is amended to read:

19          196.374 (1) (d) "Energy efficiency program" means a program for reducing the  
20 usage or increasing the efficiency of the usage of energy ~~by a customer or member of~~  
21 ~~an energy utility, municipal utility, or retail electric cooperative~~ a target fuel.  
22 "Energy efficiency program" does not include load management.

23          **SECTION 76.** 196.374 (1) (dm) of the statutes is created to read:

24          196.374 (1) (dm) "Energy provider" means an energy utility, municipal utility,  
25 or retail electric cooperative.



1           **SECTION 77.** 196.374 (1) (er) of the statutes is created to read:

2           196.374 (1) (er) “Large energy customer program” means a program under sub.  
3           (2) (c).

4           **SECTION 78.** 196.374 (1) (f) of the statutes is amended to read:

5           196.374 (1) (f) “Load management program” means a program to allow an  
6           energy utility, ~~municipal utility, provider or wholesale electric cooperative, as~~  
7           ~~defined in s. 16.957 (1) (v), retail electric cooperative, or municipal electric company,~~  
8           ~~as defined in s. 66.0825 (3) (d),~~ supplier to control or manage daily or seasonal  
9           customer or member demand associated with equipment or devices used by  
10          customers or members.

11          **SECTION 79.** 196.374 (1) (hm) of the statutes is created to read:

12          196.374 (1) (hm) “Natural gas” does not include natural gas that is used to  
13          generate electricity.

14          **SECTION 80.** 196.374 (1) (i) of the statutes is repealed.

15          **SECTION 81.** 196.374 (1) (ig) of the statutes is created to read:

16          196.374 (1) (ig) “Prime supplier” means a person that imports an unregulated  
17          fuel into this state for sale to a wholesale or retail distributor, or to an end user, for  
18          use in this state.

19          **SECTION 82.** 196.374 (1) (ir) of the statutes is created to read:

20          196.374 (1) (ir) “Regulated fuel” means electricity or natural gas.

21          **SECTION 83.** 196.374 (1) (j) (intro.) of the statutes is amended to read:

22          196.374 (1) (j) (intro.) “Renewable resource” means a resource that derives  
23          energy from any source other than coal, petroleum products, nuclear power ~~or, except~~  
24          ~~as used in a fuel cell, natural gas, or nonbiological industrial, nonbiological~~

1 commercial, or nonbiological household waste. "Renewable resource" includes  
2 resources deriving energy from any of the following:

3 **SECTION 84.** 196.374 (1) (j) 8. of the statutes is created to read:

4 196.374 (1) (j) 8. Any other resource designated by the commission by rule.

5 **SECTION 85.** 196.374 (1) (mb) of the statutes is created to read:

6 196.374 (1) (mb) "Statewide programs" means the statewide energy efficiency  
7 and renewable resource programs established under sub. (2) (a) 1.

8 **SECTION 86.** 196.374 (1) (me) of the statutes is created to read:

9 196.374 (1) (me) "Statewide programs contractor" means a person with whom  
10 energy utilities contract under sub. (2) (a) 1. to administer the statewide programs.

11 **SECTION 87.** 196.374 (1) (mh) of the statutes is created to read:

12 196.374 (1) (mh) "Supplemental utility program" means a program under sub.  
13 (2) (b) 2.

14 **SECTION 88.** 196.374 (1) (mL) of the statutes is created to read:

15 196.374 (1) (mL) "Target fuel" means a regulated or unregulated fuel.

16 **SECTION 89.** 196.374 (1) (mo) of the statutes is created to read:

17 196.374 (1) (mo) "Total sales" means, with respect to a target fuel, the total  
18 amount of the target fuel sold at retail in this state as measured in energy units.

19 **SECTION 90.** 196.374 (1) (mr) of the statutes is created to read:

20 196.374 (1) (mr) "Unregulated fuel" means liquified petroleum gas or heating  
21 oil.

22 **SECTION 91.** 196.374 (1) (mu) of the statutes is created to read:

23 196.374 (1) (mu) "Utility-administered program" means a program under sub.  
24 (2) (b) 1.

25 **SECTION 92.** 196.374 (1) (o) of the statutes is repealed.

1           **SECTION 93.** 196.374 (2) (a) 1. of the statutes is amended to read:

2           196.374 (2) (a) 1. The energy utilities in this state ~~shall collectively establish~~  
3 ~~and fund statewide energy efficiency and renewable resource programs. The energy~~  
4 ~~utilities shall collectively contract, on the basis of competitive bids, with one or more~~  
5 ~~persons to develop and administer the statewide energy efficiency and renewable~~  
6 ~~resource programs. The utilities may not execute a~~ A contract under this subdivision  
7 ~~may not be executed~~ unless the commission has approved the contract. The  
8 ~~commission shall require each energy utility to spend the amount required under~~  
9 ~~sub. (3) (b) 2. moneys received by a statewide programs contractor under sub. (3) (bw)~~  
10 ~~3. and 4. shall be used to fund the statewide energy efficiency and renewable resource~~  
11 ~~programs.~~

12           **SECTION 94.** 196.374 (2) (a) 2. (intro.) of the statutes is amended to read:

13           196.374 (2) (a) 2. (intro.) The purpose of the statewide programs under this  
14 paragraph shall be to help achieve environmentally sound and adequate energy  
15 target fuel supplies at reasonable cost, consistent with the commission's  
16 responsibilities under s. 196.025 (1) (ar) and (e) and the energy utilities' obligations  
17 under this chapter. The statewide programs shall include, at a minimum, all of the  
18 following:

19           **SECTION 95.** 196.374 (2) (a) 2. a. of the statutes is amended to read:

20           196.374 (2) (a) 2. a. Components to address the energy target fuel needs of  
21 residential, commercial, agricultural, institutional, and industrial energy target fuel  
22 users and local units of government.

23           **SECTION 96.** 196.374 (2) (a) 2. b. of the statutes is amended to read:

24           196.374 (2) (a) 2. b. Components to reduce the energy target fuel costs incurred  
25 by local units of government and agricultural producers, by increasing the efficiency

1 of ~~energy target fuel~~ use by local units of government and agricultural producers.  
2 The commission shall ensure that not less than 10 percent of the moneys ~~utilities are~~  
3 ~~required to spend under subd. 1. or sub. (3) (b) 2. paid by energy utilities and prime~~  
4 ~~suppliers under sub. (3) (bw) 3. and 4.~~ is spent annually on programs under this  
5 subdivision except that, if the commission determines that the full amount cannot  
6 be spent on cost-effective programs for local units of government and agricultural  
7 producers, the commission shall ensure that any surplus funds be spent on programs  
8 to serve commercial, institutional, and industrial customers target fuel users. A local  
9 unit of government that receives assistance under this subd. 2. b. shall apply all costs  
10 savings realized from the assistance to reducing the property tax levy.

11 **SECTION 97.** 196.374 (2) (a) 2. d. of the statutes is amended to read:

12 196.374 (2) (a) 2. d. Initiatives for research and development regarding the  
13 environmental and economic impacts of energy target fuel use in this state.

14 **SECTION 98.** 196.374 (2) (a) 3. of the statutes is amended to read:

15 196.374 (2) (a) 3. The commission may not require an energy utility to  
16 administer or fund any energy efficiency or renewable resource program that is in  
17 addition to the statewide programs ~~required under subd. 1. and any ordered program~~  
18 ~~of the utility~~. This subdivision does not limit the authority of the commission to  
19 enforce an energy utility's obligations under s. 196.378 or 196.379.

20 **SECTION 99.** 196.374 (2) (b) (title) of the statutes is amended to read:

21 196.374 (2) (b) (title) *Utility-administered and supplemental utility programs.*

22 **SECTION 100.** 196.374 (2) (b) 1. of the statutes is amended to read:

23 196.374 (2) (b) 1. An energy utility may, with commission approval, administer  
24 or fund one or more energy efficiency programs for regulated fuels that is limited to,  
25 ~~as determined by the commission, large commercial, industrial, institutional, or~~

1     ~~agricultural~~ customers in its service territory. An energy utility shall pay for a  
2     program under this subdivision ~~with~~ by withholding a portion of the amount ~~it is~~  
3     required ~~to pay to a statewide programs contractor~~ under sub. (3) ~~(b) 2.~~ (bw) 3., as  
4     approved by the commission. The commission may not order an energy utility to  
5     administer or fund a program under this subdivision.

6             **SECTION 101.** 196.374 (2) (b) 2. of the statutes is amended to read:

7             196.374 (2) (b) 2. An energy utility may, with commission approval, administer  
8     or fund an energy efficiency or renewable resource program for regulated fuels that  
9     is limited to customers in its service territory and that is in addition to the statewide  
10    programs ~~required under par. (a) or utility-administered programs authorized~~  
11    ~~under subd. 1.~~ The commission may not order an energy utility to administer or fund  
12    a program under this subdivision.

13            **SECTION 102.** 196.374 (2) (b) 3. of the statutes is amended to read:

14            196.374 (2) (b) 3. An energy utility ~~that administers or funds a program under~~  
15    ~~subd. 1. or 2. or an ordered program~~ may request at any time to establish, modify, or  
16    discontinue a utility-administered or supplemental utility program, and the  
17    commission may approve, ~~to~~ modify, or discontinue, in whole or in part, the ordered  
18    program. ~~An energy utility may request the establishment, modification, or~~  
19    ~~discontinuation of a program under subd. 1. or 2. at any time and shall request the~~  
20    ~~modification or discontinuation of an ordered program as part of a proceeding under~~  
21    ~~sub. (3) (b) 1.~~

22            **SECTION 103.** 196.374 (2) (c) of the statutes is amended to read:

23            196.374 (2) (c) *Large energy customer programs.* A customer of an energy  
24    utility may, with commission approval, administer and fund its own energy efficiency  
25    programs or renewable resource programs if the customer satisfies the definition of

**SECTION 103**

1 a large energy customer for any month in the 12 months preceding the date of the  
2 customer's request for approval. A customer may request commission approval at  
3 any time. A customer that funds a program under this paragraph may deduct the  
4 amount of the funding from the amount the energy utility may collect from the  
5 customer under sub. (5) (b). If the customer deducts the amount of the funding from  
6 the amount the energy utility may collect from the customer under sub. (5) (b), the  
7 energy utility shall credit the amount of the funding against the amount the energy  
8 utility is required to ~~spend~~ pay to a statewide programs contractor under sub. (3) (b)  
9 ~~2. (bw) 3.~~

10 **SECTION 104.** 196.374 (3) (a) and (b) 1. of the statutes are consolidated,  
11 renumbered 196.374 (3) (a) and amended to read:

12 196.374 (3) (a) *In general.* The commission shall have oversight of statewide,  
13 utility-administered, supplemental utility, and large energy customer programs  
14 ~~under sub. (2).~~ The commission shall maximize coordination of program delivery,  
15 including coordination between such programs ~~under subs. (2) (a) 1., (b) 1. and 2., and~~  
16 ~~(c) and (7), ordered programs,~~ low-income weatherization programs under s. ~~ss.~~  
17 16.26, 16.27, and 16.957, renewable resource programs under s. 196.378, and other  
18 energy efficiency or renewable resource programs. The commission shall cooperate  
19 with the department of natural resources to ensure coordination of energy efficiency  
20 and renewable resource programs with air quality programs and to maximize and  
21 document the air quality improvement benefits that can be realized from energy  
22 efficiency and renewable resource programs. ~~(b) 1. At least every 4 years, after notice~~  
23 ~~and opportunity to be heard, the commission shall, by order, evaluate the energy~~  
24 ~~efficiency and renewable resource programs under sub. (2) (a) 1., (b) 1. and 2., and~~  
25 ~~(c) and ordered programs and set or revise goals, priorities, and measurable targets~~

1 ~~for the programs. The~~ In carrying out its duties under this paragraph, the  
2 commission shall give priority to cost-effective programs that moderate the growth  
3 in ~~electric and natural gas~~ target fuel demand and usage, facilitate markets and  
4 assist market providers to achieve higher levels of energy efficiency, promote energy  
5 reliability and adequacy, avoid adverse environmental impacts from the use of  
6 energy, and promote rural economic development.

7 **SECTION 105.** 196.374 (3) (b) (title) and 2. to 4. of the statutes are repealed.

8 **SECTION 106.** 196.374 (3) (bc), (bg), (bn), (br) and (bw) of the statutes are created  
9 to read:

10 196.374 (3) (bc) *Quadrennial proceedings; generally.* Every 4 years, the  
11 commission shall, after notice and opportunity to be heard, conduct a proceeding for  
12 making assessments under par. (bg), establishing goals under par. (bn), establishing  
13 funding requirements under par. (br), and allocating the funding requirements  
14 under par. (bw).

15 (bg) *Quadrennial potential studies.* 1. The commission shall assess the  
16 reduction in the use of and demand for each target fuel that can be achieved in each  
17 year of the quadrennium following the proceeding under par. (bc) through all of the  
18 following:

19 a. Cost-effective energy efficiency and renewable resource programs  
20 administered by energy providers or other persons.

21 b. Programs and policy mechanisms under the commission's jurisdiction,  
22 excluding the programs described in subd. 1. a., and including demand response and  
23 load management programs, orders under s. 196.379 (3), and the renewable portfolio  
24 standard, as defined in s. 196.378 (1r) (gm).

25 c. Low-income weatherization programs under ss. 16.26, 16.27, and 16.957.

1 d. Other programs and policy mechanisms, including appliance and equipment  
2 efficiency standards, mandatory and voluntary energy conservation standards for  
3 buildings, and voluntary certification programs.

4 2. Reductions in use of and demand for a target fuel in assessments under subd.  
5 1. shall be expressed as percentages of total sales for the target fuel.

6 (bn) *Quadrennial goals.* For each year of the quadrennium following the  
7 proceeding under par. (bc), the commission shall establish a goal for the reduction  
8 in demand for and use of each target fuel that can be achieved under the statewide  
9 programs, and a goal for the reduction in demand for and use of each regulated fuel  
10 that can be achieved by or on behalf of each municipal utility and retail electric  
11 cooperative, as follows:

12 1. For each regulated fuel:

13 a. Estimate the total sales of the regulated fuel that will occur in the year.

14 b. Estimate the proportion of the amount estimated under subd. 1. a. that will  
15 be attributable to sales by all energy utilities in the year and multiply the proportion  
16 estimated under this subd. 1. b. by the amount estimated under subd. 1. a.

17 c. Estimate the proportion of the amount estimated under subd. 1. a. that will  
18 be attributable to sales by each municipal utility or retail electric cooperative in the  
19 year and multiply the proportion estimated under this subd. 1. c. by the amount  
20 estimated under subd. 1. a.

21 d. Determine the difference between the percentages determined under par.  
22 (bg) 1. a. and c. for the regulated fuel for the year.

23 e. Multiply the product determined under subd. 1. b. by the difference  
24 determined under subd. 1. d. The resulting product shall be the goal under the



1 statewide programs for the regulated fuel for the year, unless modified by the  
2 commission under sub. (8) (b) 2.

3 f. Multiply the product determined under subd. 1. c. for a municipal utility or  
4 retail electric cooperative by the difference determined under subd. 1. d. The  
5 resulting product shall be the goal for the regulated fuel for the year for the municipal  
6 utility or retail electric cooperative, unless modified by the commission under sub.  
7 (8) (b) 2., and except that the commission may revise the goal if the commission  
8 determines that the goal is unreasonable considering the composition of the  
9 membership or customer base of the municipal utility or retail electric cooperative.

10 2. For each unregulated fuel:

11 a. Estimate the total sales of the unregulated fuel that will occur in the year.

12 b. Determine the difference between the percentages determined under par.  
13 (bg) 1. a. and c. for the unregulated fuel for the year.

14 c. Multiply the estimate under subd. 2. a. by the difference determined under  
15 subd. 2. b. The resulting product shall be the goal under the statewide programs for  
16 the unregulated fuel for the year, unless modified by the commission under sub. (8)  
17 (b) 2.

18 (br) *Quadrennial funding requirements.* 1. 'Statewide programs.' The  
19 commission shall determine the amount of funds necessary for statewide programs  
20 for each target fuel for each year of the quadrennium following the proceeding under  
21 par. (bc) as follows:

22 a. For each target fuel, determine the amount of funds necessary to achieve the  
23 goal determined under par. (bn) 1. e. or 2. c. for the year.

1           b. Subtract from the amount determined under subd. 1. a. the total amount that  
2           the commission allows all energy utilities to pay for utility-administered programs  
3           for the target fuel in the year.

4           c. Subtract from the amount determined under subd. 1. b. the total amount of  
5           funding the commission allows for all large energy customer programs for the target  
6           fuel in the year. The result determined under this subd. 1. c. shall be the amount of  
7           funding necessary for statewide programs for the target fuel in the year.

8           2. 'Municipal utilities and retail electric cooperatives.' Except as provided in  
9           sub. (7) (bg), each municipal utility and retail electric cooperative shall determine the  
10          amount of funds necessary to achieve the goal determined under par. (bn) 1. f. for  
11          each regulated fuel for each year of the quadrennium following the proceeding under  
12          par. (bc).

13          (bw) *Funding allocation.* 1. A prime supplier shall report to the commission,  
14          in the form specified by the commission, the amount of unregulated fuel that the  
15          prime supplier imports into this state each year for ultimate use by end users in this  
16          state.

17          2. In the proceeding under par. (bc), for each target fuel, the commission shall  
18          determine the percentage of total sales of the target fuel by all energy utilities and  
19          prime suppliers in the quadrennium prior to the proceeding that is attributable to  
20          each energy utility and prime supplier.

21          3. For each regulated fuel, the commission shall order each energy utility to  
22          collect from its customers in each year of the quadrennium following the proceeding  
23          under par. (bc) an amount equal to the percentage determined for the energy utility  
24          under subd. 2. multiplied by the amount determined under par. (br) 1. c. for the  
25          regulated fuel for the year and pay the amount to a statewide programs contractor.

1           4. For each unregulated fuel, the commission shall order each prime supplier  
2           to pay to a statewide programs contractor in each year of the quadrennium following  
3           the proceeding under par. (bc) an amount equal to the percentage determined for the  
4           prime supplier under subd. 2. multiplied by the amount determined under par. (br)  
5           1. c. for the unregulated fuel for the year.

6           **SECTION 107.** 196.374 (3) (c) (title) of the statutes is amended to read:

7           196.374 (3) (c) (title) *Reviews Other reviews and approvals.*

8           **SECTION 108.** 196.374 (3) (c) 1. of the statutes is amended to read:

9           196.374 (3) (c) 1. Review and approve contracts under sub. (2) (a) 1. ~~between~~  
10          ~~the energy utilities and program administrators~~ If the energy utilities contract with  
11          more than one person under sub. (2) (a) 1., the commission shall determine how to  
12          allocate among those persons the requirements under this section involving  
13          statewide programs contractors.

14          **SECTION 109.** 196.374 (3) (c) 2. (intro.), a. and b. of the statutes are consolidated,  
15          renumbered 196.374 (3) (c) 2. (intro.) and amended to read:

16          196.374 (3) (c) 2. (intro.) Review requests ~~under sub. (2) (b) for~~  
17          utility-administered, supplemental utility, and large energy customer programs.  
18          The commission may condition its approval of a request ~~under sub. (2) (b) as~~  
19          necessary to protect the public interest. The commission shall approve a request  
20          ~~under sub. (2) (b) 1. or 2. if the commission determines that a proposed energy~~  
21          ~~efficiency or renewable resource program is in the public interest and satisfies all of~~  
22          ~~the following: a. The program, has specific savings targets and performance~~  
23          measurable performance-based goals approved by the commission. b. The program,  
24          is subject to independent evaluation by the commission, and, for a  
25          utility-administered or supplemental utility program, satisfies all of the following:

1       **SECTION 110.** 196.374 (3) (c) 2. am., bm., c., d. and e. of the statutes are created  
2 to read:

3       196.374 (3) (c) 2. am. The individual elements of the program do not duplicate  
4 elements of the statewide programs. This subd. 2. am. applies only to a  
5 utility-administered program.

6       bm. Implementation of the program will complement the statewide programs  
7 and enhance the ability of the statewide programs to meet or exceed their goals.

8       c. Implementation of the program will enhance the ability of the state to meet  
9 its greenhouse gas emission reduction goals under s. 299.03 (2).

10       d. Considering alternatives to the program, the costs of the program are  
11 reasonable.

12       e. The benefits of the program exceed the costs of the program.

13       **SECTION 111.** 196.374 (3) (d) of the statutes is amended to read:

14       196.374 (3) (d) *Audits.* Annually, the commission shall contract with one or  
15 more independent auditors to prepare a financial and performance audit of the  
16 statewide, utility-administered, supplemental utility, and large energy customer  
17 programs specified in par. (b) 1. The purpose of the performance audit shall be to  
18 evaluate the programs and measure the performance of the programs against the  
19 goals and targets set approved by the commission under par. (b) 1. ~~The person or~~  
20 ~~persons with whom the energy utilities contract for program administration under~~  
21 ~~sub. (2) (a) 1. shall pay the costs of the audits from the amounts paid under the~~  
22 ~~contracts under sub. (2) (a) 1 (c) 2. or established under par. (bn) 1. e. or 2. c.~~ The audit  
23 shall also determine the amount of reduction in the demand for and use of each target  
24 fuel that has resulted in the year under the programs.

25       **SECTION 112.** 196.374 (3) (dm) of the statutes is created to read:

1           196.374 (3) (dm) *Consultations*. If an audit under par. (d) indicates that a  
2           program has failed to achieve one or more goals for the year of the audit, the  
3           commission shall consult with the statewide programs contractor or person  
4           administering the program regarding ways to modify the program to ensure that, as  
5           determined under sub. (8) (a), it will achieve its goals.

6           **SECTION 113.** 196.374 (3) (e) 1. of the statutes is amended to read:

7           196.374 (3) (e) 1. The expenses of the commission, energy utilities, and  
8           ~~program administrators contracted under sub. (2) (a) 1.~~ statewide programs  
9           contractors in administering or participating in the statewide programs under sub.  
10          ~~(2) (a) 1.~~

11          **SECTION 114.** 196.374 (3) (e) 2. of the statutes is amended to read:

12          196.374 (3) (e) 2. The effectiveness of the statewide, utility-administered,  
13          supplemental utility, large energy customer, and commitment to community  
14          programs specified in par. (b) 1. and sub. (7) in reducing demand for electricity target  
15          fuels, and increasing the use of renewable resources owned by customers or  
16          members.

17          **SECTION 115.** 196.374 (3) (f) 1. of the statutes is amended to read:

18          196.374 (3) (f) 1. Procedures for energy utilities to collectively contract with  
19          ~~program administrators for administration of statewide programs under sub. (2) (a)~~  
20          ~~1. and to receive contributions from municipal utilities and retail electric~~  
21          ~~cooperatives under sub. (7) (b) 2.~~ statewide programs contractors.

22          **SECTION 116.** 196.374 (3) (f) 2. of the statutes is amended to read:

23          196.374 (3) (f) 2. Procedures and criteria for commission review and approval  
24          of contracts ~~for administration of statewide programs~~ under sub. (2) (a) 1., including

1 criteria for the selection of ~~program administrators under sub. (2) (a) 1.~~ statewide  
2 programs contractors.

3 **SECTION 117.** 196.374 (3) (f) 3. of the statutes is amended to read:

4 196.374 (3) (f) 3. Procedures and criteria for commission review and approval  
5 of utility-administered, supplemental utility, and large energy customer programs  
6 ~~under sub. (2) (b) 1. and 2., customer programs under sub. (2) (c),~~ and requests under  
7 sub. (2) (b) 3.

8 **SECTION 118.** 196.374 (3) (f) 4. of the statutes is amended to read:

9 196.374 (3) (f) 4. Minimum requirements for ~~energy efficiency and renewable~~  
10 ~~resource~~ the statewide, utility-administered, supplemental utility, and large energy  
11 customer programs under sub. (2) (a) 1. and customer energy efficiency programs  
12 under sub. (2) (c).

13 **SECTION 119.** 196.374 (4) (a) (intro.) of the statutes is amended to read:

14 196.374 (4) (a) (intro.) In implementing the statewide programs under sub. (2)  
15 ~~(a) 1. or administering a commitment to community program under a contract under~~  
16 ~~sub. (7) (am) 2.,~~ including the awarding of grants or contracts, ~~a person who contracts~~  
17 ~~with the utilities under sub. (2) (a) 1.,~~ a statewide programs contractor or a person  
18 who subcontracts with such a person a statewide programs contractor:

19 **SECTION 120.** 196.374 (4) (a) 1. of the statutes is amended to read:

20 196.374 (4) (a) 1. May not discriminate against an energy utility provider or  
21 its affiliate or a wholesale supplier or its affiliate solely on the basis of its status as  
22 an energy utility provider or its affiliate or wholesale supplier or its affiliate.

23 **SECTION 121.** 196.374 (4) (a) 2. of the statutes is amended to read:

24 196.374 (4) (a) 2. Shall provide services to ~~utility customers~~ target fuel users  
25 on a nondiscriminatory basis and subject to a ~~customer's~~ user's choice.

1           **SECTION 122.** 196.374 (4) (b) of the statutes is amended to read:

2           196.374 (4) (b) An energy utility that provides financing under ~~an energy~~  
3 ~~efficiency program under sub. (2) (b) 1. or 2.~~ a utility-administered or supplemental  
4 utility program for installation, by a customer, of energy efficiency or renewable  
5 resource processes, equipment, or appliances, or an affiliate of such a utility, may not  
6 sell to or install for the customer those processes, equipment, appliances, or related  
7 materials. The customer shall acquire the installation of the processes, equipment,  
8 appliances, or related materials from an independent contractor of the customer's  
9 choice.

10          **SECTION 123.** 196.374 (5) (a) of the statutes is amended to read:

11          196.374 (5) (a) *Rate-making orders.* The commission shall ensure in  
12 rate-making orders that an energy utility recovers from its ratepayers the amounts  
13 the energy utility ~~spends for~~ pays for statewide, utility-administered, and  
14 supplemental utility programs under sub. (2) (a) 1.

15          **SECTION 124.** 196.374 (5) (bm) 3. of the statutes is repealed.

16          **SECTION 125.** 196.374 (5) (d) of the statutes is amended to read:

17          196.374 (5) (d) *Equitable contributions.* Subject to pars. (b) and (bm) 2., the  
18 commission shall ensure that the cost of ~~energy efficiency and renewable resource~~  
19 the statewide and utility-administered programs is equitably divided among  
20 customer classes so that similarly situated ratepayers contribute equivalent  
21 amounts for the programs.

22          **SECTION 126.** 196.374 (5m) (a) of the statutes is amended to read:

23          196.374 (5m) (a) The Except as provided in par. (am), the commission shall  
24 ensure that, on an annual basis, each customer class of an energy utility has the  
25 opportunity to receive grants and benefits under ~~energy efficiency~~ the statewide and

1 utility-administered programs in an amount equal to the amount that is recovered  
2 from the customer class under sub. (5) (a). Biennially, the commission shall submit  
3 a report to the governor, and the chief clerk of each house of the legislature for  
4 distribution to the legislature under s. 13.172 (2), that summarizes the total amount  
5 recovered from each customer class and the total amount of grants made to, and  
6 benefits received by, each customer class.

7 **SECTION 127.** 196.374 (5m) (am) of the statutes is created to read:

8 196.374 **(5m)** (am) The commission may allow a customer class of an energy  
9 utility the opportunity to receive grants and benefits under the statewide and  
10 utility-administered programs in an amount that is not equal to the amount  
11 recovered from the customer class under sub. (5) (a), but only if the commission finds  
12 that the allowance is in the public interest and promotes the cost-effective  
13 achievement of a goal established under sub. (3) (bn) 1. e. or 2. c.

14 **SECTION 128.** 196.374 (5m) (b) of the statutes is amended to read:

15 196.374 **(5m)** (b) The commission shall ensure that ~~customers~~ target fuel users  
16 throughout the state have an equivalent opportunity to receive the benefits of the  
17 statewide and utility-administered programs ~~under sub. (2) (a) 1. and (b) 1.~~ The  
18 commission shall ensure that the statewide programs are designed to ensure that  
19 ~~retail customers~~ target fuel users in areas not served by utility-administered  
20 programs ~~under sub. (2) (b) 1.~~ receive equivalent opportunities as those in areas  
21 served by utility-administered programs ~~under sub. (2) (b) 1.~~

22 **SECTION 129.** 196.374 (6) of the statutes is amended to read:

23 196.374 **(6)** ANNUAL STATEMENTS. Annually, the commission shall prepare a  
24 statement that describes the statewide, utility-administered, supplemental utility,  
25 and large energy customer programs ~~under sub. (2) (a) 1., (b) 1. and 2., and (c), and~~



1     ~~ordered programs, administered or funded by the energy utility~~ and presents cost  
2     and benefit information for those programs. An energy utility shall provide each of  
3     its customers with a copy of the statement.

4             **SECTION 130.** 196.374 (7) (a) of the statutes is repealed.

5             **SECTION 131.** 196.374 (7) (am) of the statutes is created to read:

6             196.374 (7) (am) *Quadrennial funding of goals.* Except as provided in par. (bg),  
7     in each year of the quadrennium following the proceeding under sub. (3) (bc), each  
8     municipal utility and retail electric cooperative shall spend the amount determined  
9     by the municipal utility or retail electric cooperative under sub. (3) (br) 2. for that  
10    year on the following:

11            1. Commitment to community programs administered individually by the  
12    municipal utility or retail electric cooperative or jointly by the municipal utility or  
13    retail cooperative and other municipal utilities or retail electric cooperatives.

14            2. Contracts with a statewide programs contractor to administer commitment  
15    to community programs in the service territory of the municipal utility or retail  
16    electric cooperative.

17            3. Contracts with a wholesale supplier to administer commitment to  
18    community programs in the service territory of the municipal utility or retail electric  
19    cooperative.

20            4. Any combination of commitment to community programs or contracts under  
21    subds. 1. to 3.

22            **SECTION 132.** 196.374 (7) (b) (title) of the statutes is renumbered 196.374 (7)  
23    (br) (title).

24            **SECTION 133.** 196.374 (7) (b) 1. of the statutes is renumbered 196.374 (7) (br)  
25    and amended to read:

1           196.374 (7) (br) ~~Except as provided in subd. 2., each retail electric cooperative~~  
2           ~~and municipal utility shall spend the fees that it charges under par. (a) on~~  
3           ~~commitment to community programs.~~ The purpose of the commitment to community  
4           ~~programs under this paragraph~~ shall be to help achieve environmentally sound and  
5           adequate energy supplies at reasonable cost.

6           **SECTION 134.** 196.374 (7) (b) 2. of the statutes is repealed.

7           **SECTION 135.** 196.374 (7) (bg) of the statutes is created to read:

8           196.374 (7) (bg) *Wholesale supplier assignments.* A municipal utility or retail  
9           electric cooperative may assign to a wholesale supplier the duty to achieve a goal  
10          determined for the municipal utility or retail electric cooperative under sub. (3) (bn)  
11          1. f. for a regulated fuel. If a wholesale supplier accepts an assignment, the wholesale  
12          supplier shall notify the commission. A wholesale supplier that accepts an  
13          assignment shall do all of the following:

14               1. Determine the amount of funds necessary to achieve the assigned goal.

15               2. Spend the amount determined under subd. 1. in administering commitment  
16          to community programs on behalf of the municipal utility or retail electric  
17          cooperative.

18               3. Prepare and provide statements on behalf of the municipal utility or retail  
19          electric cooperative under par. (dm).

20               4. Provide for audits and submit reports on behalf of the municipal utility or  
21          retail electric cooperative under par. (e).

22               5. If the wholesale supplier accepts an assignment from more than one  
23          municipal utility or retail electric cooperative, carry out the duties specified in subds.  
24          1. to 4. on an aggregate basis for all the municipal utilities and retail electric  
25          cooperatives for which the wholesale supplier has accepted an assignment.